

Royal Ahold's Fruit and Vegetable Alliance

The world's largest food sales company has found a way to improve the lives of people in Africa—after meetings with USAID experts. The firm is using its knowledge in food marketing to help pineapple and other agricultural growers improve their farming techniques and output.

The Dutch Royal Ahold company sent senior team members to Africa to find ways the giant food firm could “make a meaningful contribution to economic development in regions of the world that do not yet have the same opportunities we have,” according to the company CEO Cees Van der Hoeven.

But instead of building schools and offering scholarships, the company was persuaded to use its special knowledge of mass marketing of foods such as pineapples.

In Ghana, Ahold staffers met with USAID Senior Agricultural Economist Fenton Sands and Ivor Knight of the Bureau for Economic Growth, Agriculture and Trade, who suggested that the company could make a real difference by doing what it did best: using its private-sector experience to encourage professional standards for agricultural producers in Ghana.

The company agreed to encourage small- and medium-sized exporters of pineapples and other products to change the varieties of the foods they produced and to improve the quality and packaging standards to meet requirements for exports to the European Union.

Finding business lines that could be developed resulted from Ahold's

expertise in food and personal products, in partnership with USAID and its NGO and private sector partners.

“Ahold realized it could do tremendous good by using its purchasing power as an incentive for growers,” said Sands.

Sands and others from the Bureau for Africa pulled together a group of NGOs including CARE, TechnoServe, and AMEX International. A Michigan State University project, Partnerships for Food Industry Development, was recruited to bring agricultural and food marketing expertise and to help manage the alliance.

The success of the alliance will be determined by the amounts of pineapples and other goods that Ahold or other buyers purchase from these small growers.

To ensure the activity has an impact on farmers' incomes, Ahold has budgeted more than \$2 million over the next three years and has placed a full-time person in Ghana. Ahold also sent their buyer from the United States to explore cosmetic products created from shea butter.

USAID intends to not only bring financial resources to the table but is—as part of the Agency's renewed focus on agriculture—working on creating an innovative way to produce pineapple “suckers” (the bulbs used to plant pineapples) at half the cost of imported ones for Ghanaian farmers. The farmers, many of whom will participate in the pineapple export activity with Ahold, will be able to purchase suckers of the variety that a discriminating buyer like Ahold needs to meet the demands of its consumers. ★

www.usaid.gov/gda



Photo courtesy of Pineapple Exporters of Ghana

The alliance between Royal Ahold and USAID aims to increase the quality and amount of pineapples exported from Ghana.